

Message Text

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PAGE 01 MONTEV 01817 031225Z
ACTION EB-08

INFO OCT-01 ARA-10 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01
DOE-15 DOTE-00 /124 W
-----068853 040927Z /10

R 031143Z JUN 78
FM AMEMBASSY MONTEVIDEO
TO SECSTATE WASHDC 6569
INFO USMISSION GENEVA

LIMITED OFFICIAL USE MONTEVIDEO 1817

USMTN

E.O. 11652: N/A
TAGS: ETRD, UY, MTN
SUBJ: MODIFICATION OF GOU AUTOMOTIVE EXPORT REQUIREMENT

REF: MONTEVIDEO 1063

1. SINCE 1970, THE GOU HAS HAD A REQUIREMENT FOR AUTO ASSEMBLY FIRMS IN URUGUAY TO EXPORT URUGUAYAN PRODUCTS IN ORDER TO EARN THE FOREIGN EXCHANGE TO COVER THE COST OF THEIR IMPORTED AUTO COMPONENTS. IN 1976, THE GOU ESTABLISHED THE PERCENTAGE OF THE FOREIGN EXCHANGE COSTS OF IMPORTS WHICH HAD TO BE COVERED BY EXPORTS FOR EACH YEAR OF THE PERIOD 1977 THROUGH 1979. THE PERCENTAGE WAS SET AT 105 PERCENT IN 1977, 115 PERCENT IN 1978, AND 128 PERCENT IN 1979.

2. ON JUNE 1, THE GOU ISSUED A DECREE REDUCING THE 1978 EXPORT REQUIREMENT FROM 115 PERCENT TO 105 PERCENT, AND THE 1979 REQUIREMENT WOULD REMAIN AT THE 105 PERCENT
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LEVEL RATHER THAN BE RAISED TO THE 128 PERCENT LEVEL PREVIOUSLY ESTABLISHED. BOTH REPRESENTATIVES OF U.S. OPERATIONS HERE ARE PLEASED WITH THE DEVELOPMENT AND ATTRIBUTE IT, IN PART, TO THE U.S. REQUEST IN GENEVA FOR THE COMPLETE ELIMINATION OF THE EXPORT REQUIREMENT.

3. APPARENTLY THE WHOLE AUTOMOTIVE REGIME IS UNDER

REVIEW WITH BASIC MODIFICATIONS LIKELY TO BE ANNOUNCED
IN EARLY 1979 FOR IMPLEMENTATION IN 1980. OTHER CHANGES
ARE EXPECTED SHORTLY. FOR INSTANCE, MINISTER OF
ECONOMY ARISMENDI RECENTLY TOLD EMBOFF THAT AGRICULTURAL
TRACTORS, NOW FALLING UNDER THE AUTOMOTIVE REGIME
REQUIREMENTS, WILL SHORTLY BE PULLED OUT AND PROVIDED
MORE LIBERAL IMPORT TREATMENT AS PART OF THE DEVELOPMENT
OF A LARGER AGRICULTURAL POLICY DESIGNED TO INCREASE
THE PRODUCTIVITY OF THE LAGGING AGRICULTURAL SECTOR.
PEZZULLO

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AUTOMOTIVE INDUSTRY, TRADE LIBERALIZATION, EXPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MONTEV01817
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780233-0862
Format: TEL
From: MONTEVIDEO MTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780699/aaaadhlt.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0e4bbe92-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 MONTEVIDEO 1063
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2501617
Secure: OPEN
Status: NATIVE
Subject: MODIFICATION OF GOU AUTOMOTIVE EXPORT REQUIREMENT
TAGS: ETRD, UY, MTN
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/0e4bbe92-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
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EO Systematic Review
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